(b) Yes, Sir. In case any violation is noticed punitive action as per law is taken.

(c) No, Sir.

Private placements with UTI

2874. SHRI KARNENDU BHATTACHARJEE:
SHRI SANJAY NIRUMPAM:
SHRI N. K. PREMACHANDRAN:
SHRI MANOJ BHATTACHARYA:
SHRI RAM JETHMALANI:
SHRI K. B. KRISHNA MURTHY:

Will the Minister FINANCE be pleased to state:

(a) whether the Central Vigilance Commissiion has written to Government that an inquiry be conducted by the Central Bureau of Investigation into investments by private placements with UTI;

(b) if so, the details thereof; and

(c) Government's reaction thereto and by when a decision is likely to be taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL):(a)Yes, Sir.

(b) Tarapore Committee had recommended, *inter alia,* that the cases be referred to a pre-investigative body. Government had referred 19 cases to the Advisory Board on Banks, Commerical and Financial Frauds under CVC as a pre-investigative body. In January 2003, Chief Vigilance Commissioner wrote to the Government suggesting that ideal pre-investigative body would be CBI.

(c) In recommendation no. 252 contained in para 16.37, the JPC on Stock Market Scam and matters relating thereto recommended a thorough enquiry of secondary market transactions of UTI in the shares of 89 companies identified by the Tarapore Committee SEBI.

The Government, in consultation with SEBI have referred 89 cases for inquiry by SEBI